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ABSTRACT

The 1986 annual report outlines planning and coordination activities and student financial aid programs. The following planning and coordination activities are considered: statewide planning and facilities planning, a new program approval procedure, approval of off-campus offerings, studies of the state's engineering programs and needs and allied health education programs, an inventory of research and service programs, the Alabama Universities-Tennessee Valley Authority Research Consortium, an experimental program to stimulate competitive research, the Network of Alabama Academic Libraries, a new computer competency program, a new Consortium for Advancement of Foreign Language Education, and an agreement among 13 southern states to share instructional programs. Information is provided on the following aid programs: Alabama Guaranteed Student Loan Program, Alabama Student Grant Program, Alabama Student Assistance Program, Emergency Secondary Education Scholarship Program, Alabama PLUS Program (an additional source of funds for parents), Chiropractic Scholarship Program, and Alabama National Guard Assistance Program. The 1986-1987 Commission budget is included. (SW)

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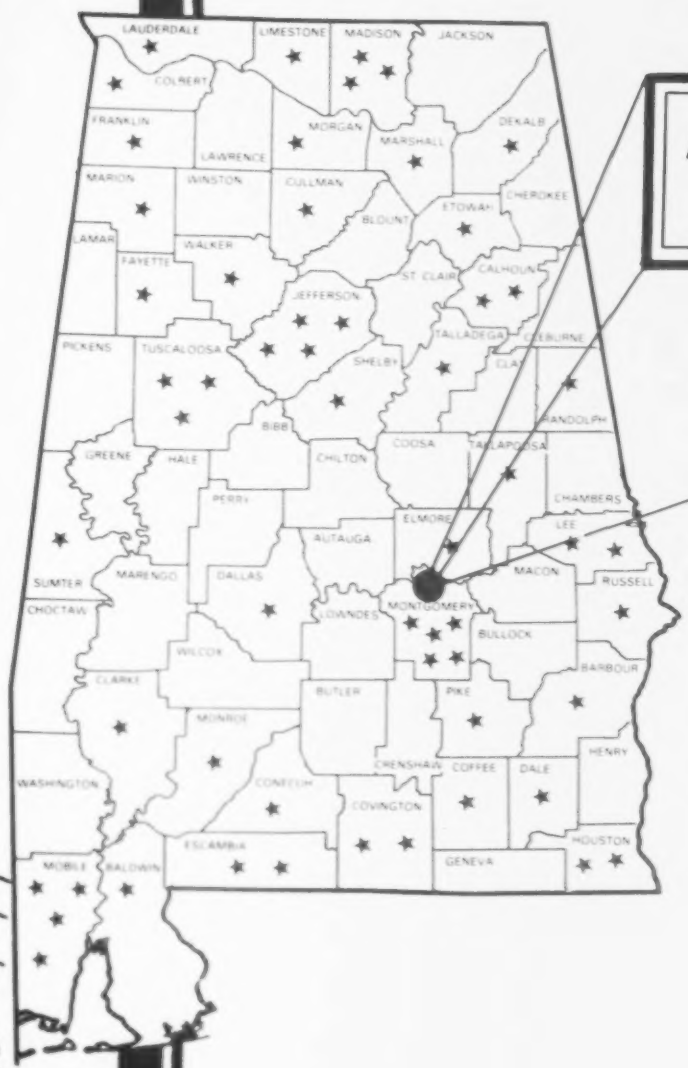
1986 Annual Report



Alabama Commission on Higher Education

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ALABAMA COMMISSION ON HIGHER EDUCATION

Bob Word, Chairman
Jane McDonald, Vice-Chairman

Katie D. Espy	Jimmy Faulkner
Clyde Foster	James D. Grady, III
Moses C. Jones	Ken Lott
Steve Means	Frank A. Nix
Richard A. Pizitz	Philip A. Sellers

Joseph T. Sutton
Executive Director

ALABAMA COMMISSION ON HIGHER EDUCATION

1986 ANNUAL REPORT

January 1987

Alabama Commission on Higher Education

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Fellow Alabamians:

In 1986 the Alabama Commission on Higher Education completed the 17th year of its commitment to helping build the most effective, efficient and excellent system of higher education possible in Alabama.

The Commission's activities for the past year are outlined in this report. I hope you find it informative and useful. The state of Alabama has an enormous resource in its 57 public colleges and universities; a resource that must be utilized in the best possible manner in the coming years.

The Commission touches the lives of all Alabamians tnrough its work with the colleges and universities that are funded with your tax dollars. And the Commission's work with student financial assistance programs helps make available the loans and scholarships that make college education affordable for thousands of people.

The Commission is composed of 12 Alabamians who freely give of their time and energies because they are interested in bettering higher education in our state. Scottsboro businessman Bob Word served as chairman during the past year and Jane McDonald of Arab was vice-chairman. I am indebted to them for their leadership.

As we look toward the coming year, the Commission is devoted to representing the interests of the citizens of Alabama - through the Governor and Legislature - to the colleges and universities, while at the same time objectively presenting the needs of the colleges and universities to the state. Although financial problems still loom on the horizon, 1987 promises to bring improvements in our system of higher education.

The Alabama Commission on Higher Education is YOUR Commission; please let us know your hopes and concerns regarding higher education in this state.

Sincerely,

Joseph T. Sutton
Executive Director

Chairman: Bob Word-Vice Chairman: Jane McDonald-Executive Director: Joseph T. Sutton
Katie D. Espy-Jimmy Faulkner-Clyde Foster-James D. Grady, III
Moses Jones-Ken L. Lott-Steve Means-Frank Nix-Richard A. Pizitz-Philip A. Sellers

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INTRODUCTION

Created by the Legislature in 1969, the Alabama Commission on Higher Education is charged with the responsibility of coordinating public higher education in Alabama.

The Commission is devoted to representing the citizens' higher-education interests to the Governor and Legislature, while at the same time objectively presenting the needs of the colleges and universities to the state.

In fulfilling its responsibility to approve new programs, review existing programs, formulate annual budget recommendations, coordinate student financial aid programs and chart long-range goals for higher education, the Commission matches the strengths of the 57 institutions with the state's available financial resources.

To ensure the decisions are made with an awareness of the educational and financial consequences, the Alabama Commission on Higher Education provides data; responds to inquiries; conducts studies; and offers other assistance on higher education matters to the Governor, the Legislature, the institutions and the citizens of Alabama.

The Commission is composed of 12 members - 10 appointed by the governor, one by the lieutenant governor and one by the speaker of the House - who serve staggered nine-year terms.

In 1986 the Commission organized committees to consider proposals before they are presented to the full Commission for action. Ken Lott of Mobile chaired the Financial Affairs Committee; Philip A. Sellers of Montgomery was chairman of the Student Assistance Committee; and Opelika's Dr. James D. Grady served as chairman of the Academic Affairs Committee.

The Commission continued to work with its major advisory committees last year, seeking input from the Council of Presidents, Council of Chief Academic Officers, Council of Graduate Deans, Council of Chief Financial Officers, Institutional Planning Liaisons, Institutional Research/Analysis Officers, Alabama Association of Physical Plant Administrators, Council of Deans of Arts and Sciences, Council of Deans of Education and the ACHE Advisory Committee of the Alabama Association of Student Financial Aid Administrators. In addition to these formal committees, the Commission met, as often as possible, with representatives of different segments of the education community.

Alabama law charges the Commission with meeting at least four times a year. In 1986 the Commission met six times, including a special meeting in Birmingham in October to consider the creation of a corporation to service the state's guaranteed student loans.

The Commission's full-time staff of 76 is divided into two divisions - student assistance and planning and coordination.

STUDENT FINANCIAL ASSISTANCE

Student financial aid programs remained a priority during 1986. Through state and federal programs administered by the Commission, a total of 11,067 students were awarded $6.9 million in grants and scholarships during 1986. Additionally, $68.9 million in federally-backed loans were issued to 14,917 students and their parents in the past year.

There are a number of funding programs available to students, including federally-backed guaranteed student loans, need-based loans to families of college students, scholarships to students committed to teaching in critical-needs areas of Alabama's public schools and scholarships for members of the Alabama National Guard.

The financial shortfall in revenues earmarked for education had a direct impact on student financial assistance this year. Alabama's state-supported student assistance programs, already ranked 47th in the nation, were slashed by 12 percent in the 1986-87 budget.

In 1986 the Commission also proposed the creation of a scholarship program that would award money on the basis of financial need; however, reductions in the Special Education Trust Fund delayed the creation of the program. Proration of the 1985-86 education budget forced reductions in the awards to students, nevertheless; the financial aid available through the Commission continued to be a vitally-important resource for a segment of Alabama's college population.

The Commission "shall be responsible for the effective implementation and administration of the" Alabama Guaranteed Student Loan Program.

ALABAMA GUARANTEED STUDENT LOAN PROGRAM

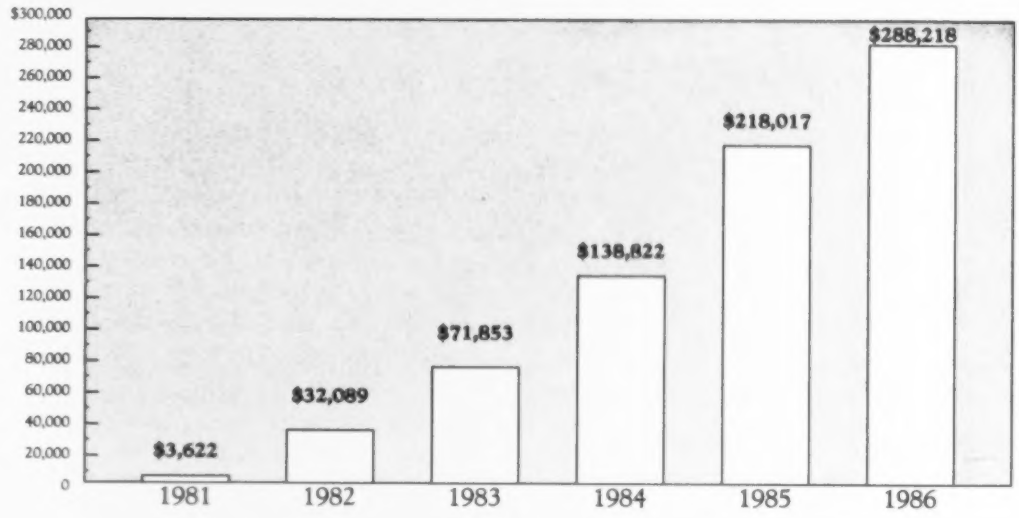
The Guaranteed Student Loan Program affords Alabama residents enrolled at accredited institutions or out-of-state residents enrolled at accredited Alabama institutions the opportunity to secure low-interest loans with deferred payments. The program continued to provide an important service to the students during fiscal year 1985-86 with loans made to some 14,258 borrowers for a total of more than $67 million.

Since the Commission began administering the program in 1981, it has grown, both in the number of loans and the number of borrowers. In 1981 cumulative loans totaled 1,789 for $3.6 million. By 1983 those numbers had increased to

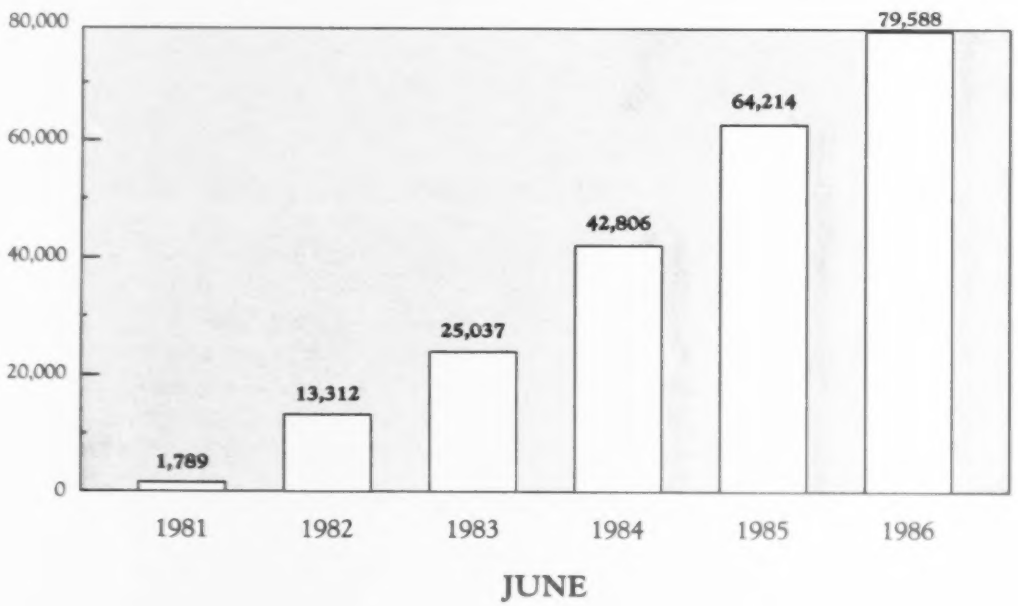
25,037 cumulative loans and $71 million. As of June 1, 1986 the cumulative loan total was 79,588 for $288 million.

CUMULATIVE LOANS GUARANTEED

in thousands of dollars



CUMULATIVE LOANS GUARANTEED



The student loans are made through approved financial institutions. Should the student fail to repay the institution, the loans are guaranteed by the Commission and the federal government. To increase the lending institutions' ability to make the loans, the Alabama Higher Education Loan Corporation purchases existing student loans. With the approval of the Commission, the corporation made more money available to the students in 1986 by issuing $63.5 million in Student Loan Revenue Bonds to finance the outstanding portion of a 1983 bond issue.

At the request of the lending institutions, the Commission also endorsed during 1986 the creation of the Alabama Loan Servicing Corporation that will contract with financial institutions to "service" existing student loans. Although the Commission had been providing this service to the lending institutions on a limited basis, the creation of the corporation will avoid any tax or ethical problems that could have arisen and should improve the quality and efficiency of the loan program. The ALSC has not yet been incorporated.

"The Alabama Student Grant Program . . . shall be administered by the Alabama Commission on Higher Education."

ALABAMA STUDENT GRANT PROGRAM

Proration in the education budget proved to be a special problem for the Alabama Student Grant Program, which is designed to provide financial assistance to Alabama residents enrolled in various independent, non-profit Alabama colleges and universities. Because of the proration, there was a delay in awarding funds to eligible students by as much as four months.

In all, this program provided more than $3,342,200 to 7,250 students. The maximum award, established by the law that created the program, is $600 for full-time students and $300 for half-time students. Because of financial troubles, the average award last year was $442 per full-time student.

The Commission is to "provide the highest quality of collegiate and university education to all persons in the state able and willing to participate."

ALABAMA STUDENT ASSISTANCE PROGRAM

This federally-created program, which requires a match of state funds, provided financial assistance to 2,859 students last year. Because Alabama is one of only

three states that does not give a direct appropriation to the program, the 19 institutions that wished to participate in the program in 1986 had to provide the matching funds from their budgets.

In all, the institutions provided more than $1.1 million in matching funds, which created a program that distributed $2,260,409 to the students - an average award of $790 per student.

However, changes in federal regulations have put this program in real jeopardy for fiscal year 1987-88. Without a direct appropriation from the Alabama Legislature, the state will lose the federal matching funds that in past years have been secured by contributions from the universities that elected to participate in the program.

EMERGENCY SECONDARY EDUCATION SCHOLARSHIP PROGRAM

This program is designed to attract able students into the teaching subjects of mathematics, science, computer education and other "critical needs" areas of Alabama's public schools. By agreeing to teach three years in one of those areas, qualified students can receive as much as $3,996 in state scholarship money per year.

During 1986, more than $1 million in state money was awarded to some 373 students who agreed to teach in our public schools.

ALABAMA PLUS PROGRAM

Established in 1982, the PLUS program provides an additional source of loan funds for parents of eligible students. In 1986 more than $1.6 million in PLUS loans, issued through approved lending institutions in Alabama and backed by the federal government, were made to assist in paying the costs of education for 659 students.

CHIROPRACTIC SCHOLARSHIP PROGRAM

This program, funded by the state Legislature, is designed to provide scholarship assistance to Alabama residents with financial need who are enrolled in accredited chiropractic colleges. This program distributed $45,000 to 10 eligible students during 1986.

ALABAMA NATIONAL GUARD ASSISTANCE PROGRAM

For the first time since the state-funded program began in 1984, members of the Alabama National Guard were awarded financial assistance for graduate study this year. In all, 575 members of the Guard were awarded more than $190,000 for both graduate and undergraduate work in 1986.

PLANNING AND COORDINATION

The Commission in 1986 implemented a new program-approval procedure based on in-depth and early analysis of an institution's academic plans. The Commission also began a process that will provide a report on the hundreds of research and public service programs funded by the state.

The state's universities continued to work together on a number of projects coordinated by the Commission in 1986, including the research effort that links university experts with the Tennessee Valley Authority, a multi-million dollar project to improve the state's ability to attract research contracts and the Network of Alabama Academic Libraries - a program designed to strengthen all the libraries by linking them together.

Much of the agency's work relative to academic affairs and institutional matters in 1986 was devoted to the construction of a settlement plan in the Title VI. As a defendant, the Commission was ordered to develop a settlement proposal for the Court's consideration. The case has been put on hold pending the resolution of an appeal.

"The Commission shall be responsible for statewide long-range planning for postsecondary education in Alabama. Such planning shall be the result of continuous study, analysis and evaluation."

STATEWIDE PLANNING PROCESS

In 1986 the Commission continued to be actively involved in an assessment of the institution's effort and accomplishments in academic offerings, research and public service, degree productivity, student retention and private fund raising.

The Commission's work in planning involves evaluating the Annual Planning Statement required from each institution. The statement includes the university's plans to develop new programs of instruction, research and service; goals to be reached during the planning period; and problems to be solved. Eventually, the elements of the planning statements may become proposals for new programs or elements of the budget requests.

The Commission staff visited each institution to discuss the planning statements and how they relate to the needs of the state. The discussions centered on specific program proposals; facilities needs; fund raising; mission and role clarification; and quality enhancement.

Formal staff responses were made to each institution following a first round of visits in the summer and similar responses will be made following the second visits, which concluded in December. Specific problems and aspirations were discussed with each institution during the annual budget hearings in January of 1987.

FACILITIES PLANNING

The Commission's annual report on the capital needs of the state's public colleges and universities will be presented to the Governor and the Legislature at the beginning of the 1987 regular session. The recommendations concerning new construction and alterations to existing buildings will be based on the Commission's evaluation of the institutional proposals. Recommendations for the deferred maintenance projects will be the result of a formula calculation that is based on building floor area, type of construction and age of each building on the campus.

Despite the Legislature's approval of the 1985 bond issue for education construction, the Commission still advocates the establishment of a regular process for the evaluation and funding of capital needs. Alabama is the only state in the south without an established process for evaluation and funding of construction projects.

Also during 1986, the Commission published the Facility Inventory and Space Utilization Report and the annual Utilities Usage and Cost Report. The Commission also sponsored a meeting of the Alabama Association of Physical Plant Administrators to provide the professionals with new technical information about facilities and energy conservation.

"No state funds shall be expended by any public institution on any new unit or program of instruction which has not been approved by the Commission."

NEW PROGRAM APPROVAL

Alabama law charges the Commission with the responsibility of evaluating and acting on proposed new degree programs at any of the state's public colleges and universities. During fiscal year 1985-86 the Commission approved 20 new degree programs - 12 new degree programs at the four-year institutions and 8 new degree programs in the two-year system.

Also during the past year, the Commission further refined its new program approval procedure to require a "program proposal" and an "implementation report" on each new degree program proposed by the institutions. This process, allowing for early evaluation of program proposals, is designed to save the expenditure of state money on programs that will eventually be turned down and to avoid unnecessary duplication of program effort.

In January of each year the "program proposals" are submitted to the Commission and in July the Commission takes preliminary action on the proposals, setting up final consideration of the program as early as the following May.

The "program proposal" outlines the justification for the program; the resources needed to implement it; the program's relationship to the institution's mission and role; student demand; post-graduate job opportunities; and other relevant issues. The "implementation report" is prepared if the Commission gives preliminary approval to the "program proposal" and it includes any changes or modifications in the proposal required or suggested by the Commission during the preliminary approval stage.

PROGRAMS APPROVED BY THE COMMISSION
1985-86

Institution	Degree	Subject Area
A&M	PhD	Applied Physics
AU	MS	Manufacturing Systems Engineering
AU	MMSE	Manufacturing Systems Engineering
AU	MRA	Recreation Administration
AU/AUM	PhD	Public Administration
Faulkner State	AAS	Court Reporting
Fredd Tech	Diploma	Commercial Food Service
Jeff State	Certificate	Drafting
Jeff State	AAS	Nursing
Jeff State	AAS	Recreation Enterprise Management
Trenholm Tech	AAT	Commercial Food Service
Trenholm Tech	Diploma	Plastics Technology
Trenholm Tech	AAT	Plastics Technology
UNA	BGS	General Studies
UAH	BS	Optical Science
UAH	BS	Optical Engineering
USA	BS	Statistics
USA	MS	Mechanical Engineering
USA	MS	Electrical Engineering
USA	MS	Chemical Engineering

COMMISSION'S AUTHORITY UPHELD BY COURT

In 1986 the Commission's authority over the approval of new academic programs, clearly defined and outlined in its statute, was challenged by the creation of a physical therapy assistant program at Wallace State Community College in Hanceville.

The program was created by the insertion of a line in the 1986-87 education budget, which was drafted by a six-member conference committee of legislators that included one lawmaker who is an employee of Wallace State. The program was never officially considered by the Commission on Higher Education, which is charged with approving all new degree programs, and it was not created by a "separate bill," as required by Alabama law.

The Commission voted unanimously on August 8, 1986 to seek court action to stop the program. In late August a preliminary injunction enjoining the school from "commencing" the program was issued by a Montgomery County Circuit Judge. And in December the Judge made that injunction permanent, declaring unconstitutional the section of the 1986-87 budget that called for the creation of the program.

"The Commission shall have the authority to authorize and regulate off-campus offerings, new or existing."

OFF-CAMPUS INSTRUCTION

During the fiscal year 1985-86, the Commission reviewed and approved approximately 860 off-campus offerings submitted by 15 public senior institutions and 17 public community, junior and technical colleges. In reviewing the off-campus courses, the Commission sought to ensure access to quality education programs, while not encouraging competition for students among institutions.

Some of the new offerings include courses in the fire science program coordinated by the Alabama Fire College; courses provided through the Shelby County Postsecondary Consortium offered at Oak Mountain State Park; and graduate courses in nursing offered by the University of Alabama in Birmingham at the Capstone College of Nursing at the University of Alabama.

"The Commission shall receive, evaluate and coordinate budget requests for the public institutions of higher education of this state" and "shall present to each institution and to the Governor and the Legislature a single unified budget report containing budget recommendations for separate appropriations to each of the institutions."

UNIFIED BUDGET RECOMMENDATION

The Commission held a formal round of budget hearings in January in preparation of its 1987-88 Unified Budget Recommendation for higher education. That recommendation will be submitted to the Governor and Legislature as a tool for drafting and finalizing the 1987-88 appropriations act.

As has been the case in previous years, the budget process involved extensive communication between the Commission and the various institutions, both before and after the actual budget hearings. Once formalized and adopted, the Commission presents its budget recommendation to the Legislature. However, the institutions are also afforded the opportunity to make separate requests to the lawmakers and the Governor.

The 1986-87 unified budget recommendation was adopted by the Commission in a special meeting on January 6, 1986, just before the 1986 session of the Alabama Legislature began. Projections of limited growth in the Special Education Trust Fund forced reductions in both the Commission's budget recommendation and the final appropriation approved by the Legislature.

The Commission is to "cause to be made such surveys and evaluations of higher education as are believed necessary."

ALLIED HEALTH STUDY

In 1984 the Commission began a comprehensive study of the state's programs in Allied Health education, including the imposition of a moratorium on any new allied health program until the study was completed. Consultants hired by the Commission made visits to the institutions that provide allied health programs to evaluate the state's resources and costs of programs; the future job market for graduates; the availability of students; and the campuses' clinical facilities for the programs.

The Commission embraced the study in August of 1986, adopting a set of five allied health policy guidelines and endorsing 24 recommendations from the consultant team and an Advisory Committee on Allied Health Education.

The policy guidelines called for an evaluation of the current Junior College/Regional Technical Institute Linkage Advisory Committee; the development of criteria for the review of two-year allied health programs; the lifting of the moratorium on all proposed new allied health programs; the adoption of guidelines concerning the need for new programs in various Allied Health fields; and the consideration of the establishment of an annual registry of all allied health professionals in the state.

At the close of the year, the Commission was holding meetings with the Chancellor of the Department of Postsecondary Education and the Dean of the School of Community and Allied Health at the University of Alabama in Birmingham to coordinate the implementation of the guidelines and recommendations.

ENGINEERING STUDY

In 1985 the Commission began a comprehensive study of the state's engineering programs and needs. The report, compiled by two out-of-state consultants, declares that engineering education is "extremely important to the state of Alabama" because of its direct impact on the state's image and ability to attract new industry.

At its March 1986 meeting the Commission approved the establishment of an Alabama Industrial Council for Engineering Education to help improve both engineering education and industrial development in Alabama.

Specifically, the Council is charged with:

* predicting and articulating the impact high-quality engineering education can have on the economic development of Alabama;
* projecting the engineering manpower required to ensure the continuation and growth of industrial development in Alabama;
* determining the resources necessary to provide quality engineering programs to meet the industrial needs;
* identifying sources of public and private support to ensure quality engineering programs; and
* advocating proper public and private financial support for the needed programs.

Work toward the establishment of this council has begun and will be completed in the coming year.

WIREGRASS STUDY

In October 1986 the Commission began a project to provide data and recommendations on the higher education needs of the Wiregrass area of southeast Alabama.

The Commission's study arose from the desires of two of the area's institutions of higher education and received the support of the Presidents of both Wallace State Community College in Dothan and Troy State University in Dothan.

The first phase of the study concentrated on collecting data that will allow the area to make decisions on the educational and economic needs of the Wiregrass for the year 2000 and beyond. The second phase will be the establishment of the steps necessary to achieve the educational and economic goals established by a team of leaders from the five counties of the Wiregrass.

The involvement of the local leaders in this study may be a model for future regional efforts to create strong partnerships between education and economic development.

The Commission "is authorized to review periodically all new and existing programs and its units of instruction, research and public service."

RESEARCH AND SERVICE PROGRAMS

During 1986 the Commission began developing both an inventory of research and service programs at the colleges and universities and a process that will allow sound evaluation of proposals for new programs of research and service.

The Commission identified some 200 state-supported research and service programs, which represent a substantial investment in annual operating budgets, staff, equipment and facilities. In 1987 the Commission is committed to establishing a continuing inventory of existing research and service programs and creating guidelines for the review of existing and new programs of research and service.

The Commission is "to encourage the establishment and development of formal consortia for the advancement of higher education comprised of institutions of higher education in the state."

ALABAMA UNIVERSITIES-TVA RESEARCH CONSORTIUM

The Tennessee Valley Authority presents Alabama with an exceptional source of scientific expertise. Alabama's universities possess the experience necessary to convert that expertise into projects that may be attractive to business.

The consortium, also known as AUTRC, was established in 1985 to take advantage of the unique strengths of the universitites and the TVA. The program offers research grants to university faculty who have proposals for turning TVA's resources into marketable business ventures.

Researchers at Alabama A&M University, Auburn University, University of Alabama, University of Alabama in Birmingham, University of Alabama in Huntsville, University of South Alabama and University of North Alabama submitted 31 proposals for funding during 1985-86. In all, some $292,000 in state and TVA funding was allocated to the eight projects determined to have the highest probability for commercialization.

The proposals funded this year include projects designed to attract more fishermen to the state, find a marketable use for chicken litter, improve the use of fertilizer, create a computerized database of information needed by industrial prospects, test Alabama soil for its use in producing fertilizer and reduce the cost of disposing of waste.

Despite cuts in the overall 1986-87 education budget, the program secured a $275,000 allocation from the Legislature, ensuring additional research this year. Additionally, the TVA is expected to continue its support of the program in the coming year and the consortium plans to seek venture capital from interested private enterprise sources.

AUTRC PROJECTS FOR 1986

Project	University	AUTRC Funding	TVA Funding
Industrial Development System	UNA	$50,000	—
System for Aquaculture Management	UAH	$27,738	$ 9,295
Solar Heated Evaporator	UAH	$35,919	$ 9,000
Horticultural Crop Marketing Alternative	A&M	$10,000	$ 9,418
Evaluation of Alabama Clays	UA	$38,116	—
Catalytic Preparation of Cyanamid	USA/AU	$38,995	$10,000
Conversion of Solid Wastes to Fuels	UAH	$19,237	$ 9,500
Studies of Biology and Economics of Large-mouth Bass	UAB	$19,982	$ 5,000

EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH

In August 1986 The National Science Foundation selected Alabama as one of eight states to receive a $3 million challenge grant to strengthen the research capacities at Alabama's universities. In order to secure the $3 million grant for the program, known as the Experimental Program to Stimulate Competitive Research or EPSCOR, the state had to provide $2 million in matching funds.

Because of the states financial situation, the state was unable to make a "conditional" appropriation of $2 million that was included in the 1985-86 education budget. To fulfill the state's obligation to raise the matching funds, $2 million was transferred to the program from the Endowment Capital of the Alabama Research Institute. The state's $2 million and the $3 million federal grant are expected to spawn some $24 million for research at the universities over the next five years.

One element of the program will focus the efforts of five universities - Auburn University, University of Alabama, University of Alabama in Birmingham, University of Alabama in Huntsville and Alabama A&M University - on materials science and engineering programs. Additionally, two centers for excellence are to be established: one in cell biology at Auburn University and the second in space plasma physics at the University of Alabama in Huntsville. The research money is also going to be used to advance astronomy research at the University of Alabama and the mathematics department at the University of Alabama in Birmingham. Preliminary plans are also being made to include funding to encourage the University of South Alabama to strive for national recognition in marine ecology.

NETWORK OF ALABAMA ACADEMIC LIBRARIES

The Network of Alabama Academic Libraries (NAAL), coordinated through the Commission, was created to improve the utilization of the library resources at Alabama's graduate universities.

In its two years of existence, NAAL has become a national and regional model for library cooperation, helping make library materials more available; improving the skills of librarians; encouraging cooperation among the libraries; and working to overcome the weaknesses in some library holdings.

In the past year the major project for NAAL was to continue work on a statewide computer database that will, when complete, allow anyone to see what is owned and available in all the libraries of the graduate universities. The existence of this data base has already reduced the need for libraries to purchase some materials that are available at other NAAL libraries around the state. NAAL funds are also being used to purchase materials to fill gaps in the holdings of libraries and to help finance the exchange of volumes between libraries. NAAL continues to sponsor professional development activities and funds grants that allow library staff members to attend continuing-education courses.

NAAL activities in 1986-87 are being severely hampered by a drastic funding reduction of 36 percent - from $900,000 in 1985-86 to $580,342 in the current budget year.

TITLE II

During the past year the Commission established two statewide programs with funds from Title II of the Education for Economic Security Act.

Computer Competency Program

To improve the computer knowledge of elementary and secondary teachers in the state, the Commission established the computer competency program.

Through the use of the Alabama Public Television Network, about 20,000 teachers in the state were exposed to a package of 29 video tapes designed to both change their attitudes toward the use of computers and enhance their knowledge about them. Data from the teachers who participated in the program indicates that measurable changes in both attitude and knowledge did occur, thereby enchancing the quality of computer instruction available in Alabama's schools.

Consortium for Advancement of Foreign Language Education

By September 1987 all local boards of education will be required to provide courses in foreign languages for every high school student who wants to earn an Advanced Diploma. In anticipation of the increased demand for foreign-language teachers, the Commission established the Consortium for Advancement of Foreign Language Education to help improve the preparation of new foreign language teachers and enhance the proficiency of those already teaching in the state.

The effort, also funded through Title II, included a series of weekend seminars in Birmingham, Montgomery and Mobile on the theories and methods of teaching foreign languages through the use of computers, extra-curricula activities, support groups and travel. In addition, the program offered a four-week summer institute, for college credit, at the University of Alabama and 10 Foreign Study Grants that allowed public school teachers to visit the countries where the language they teach is spoken.

In all, more than 300 foreign language teachers and prospective teachers were served through the program in 1986. The program enhanced the implementation of the Advanced Diploma for high school students by making foreign language instruction more accessible.

ACADEMIC COMMON MARKET

Through the Academic Common Market, an interstate agreement among 13 southern states, Alabama residents have access to instructional programs not available at Alabama institutions without having to pay out-of-state tuition costs.

Coordinated by the Commission, the project gives Alabama residents access to 317 programs. Last year, 46 residents participated in the market, taking programs in Florida, Georgia, Mississippi, South Carolina, Tennessee, Texas and Virginia.

"The Commission shall appoint at least three consultants . . . to evaluate the effectiveness of the work of the Commission and to recommend changes as needed."

FOURTH QUADRENNIAL REVIEW OF THE COMMISSION

A team of four prominent educators began the process of evaluating the Commission during 1986. The review of the Commission, which by law must come at the beginning of each new term of the state's constitutional officers, has traditionally been an evaluation of the state of affairs in higher education, giving Alabamians a report card on how well the Commission is helping the state meet the educational needs of the citizens.

The members of the evaluation team, who were selected from recommendations of the university and college presidents, spent many hours in Alabama interviewing legislators, educators, administrators and other interested citizens.

Alabama's review procedure, mandated by law, is the only one of its kind in the nation and the only state agency in Alabama for which a review by external experts is required every four years, giving our state a unique check and balance system.

OTHER ISSUES

TITLE VI

The desegregation lawsuit against the state of Alabama, a number of its universities, the Commission and the Alabama Public School and College Authority continues to loom on the horizon of higher education.

In February 1986, the Commission and Gov. George C. Wallace submitted separate settlement plans as a result of a federal court ruling that the state had discriminated against the two traditionally-black universities. However, before the two plans could be considered, the 11th Circuit Court of Appeals issued a "stay" in the trial pending the resolution of an appeal by several of the traditionally-white universities.

The Commission's settlement plan is aimed at resolving the major conflicts cited by the court while at the same time insuring that changes in the existing structure of higher education have the benefit of extensive study, planning and community involvement.

NON-RESIDENT INSTITUTIONAL REVIEW

As of December 1986, fourteen non-resident institutions were offering higher education programs in Alabama. The Commission is charged with the regulation and authorization of these programs and works with the State Department of Education's Division of Licensure and Accreditation in the granting and renewal of the licenses that allow the institutions to operate in Alabama.

In December of 1985, the Commission adopted regulations for the review of these offerings, which are concentrated in two-year, business and technology programs. The review of the programs began in January of 1986.

AGENCY BUDGET

As the Commission looks toward the coming year, the financial problems facing all of education threatened to hamper the Commission's ability to serve both the people of the state and their colleges and universities. Because of a 17.2 percent slash in the Commission's 1986-87 operating budget, the Commission has been unable to fill a number of job vacancies, including Assistant Director for Finance. Budget reductions in 1987-88 have severely restricted the Commission's ability to carry out the requirements of state law.

1986-87 BUDGET

Alabama Commission on Higher Education:	
Operations and Maintenance	953,681
Program Evaluation	200,037
TOTAL ACHE	$1,153,718
Statewide Educational Activities:	
Network of Alabama Academic Libraries	580,342
Research Enhancement (AUTRC)	275,000
Southern Regional Education Board	288,967
TOTAL STATEWIDE ACTIVITIES	$1,144,309
Higher Education Student Assistance:	
Alabama Student Grant Program	3,016,828
National Guard Education Assistance Program	200,000
Emergency Secondary Educational Scholarships	1,1145,944
Chiropractic Scholarships	47,519
TOTAL STUDENT ASSISTANCE	$4,308,430

ALABAMA
TENNESSEE
MISSISSIPPI
GEORGIA
FLORIDA
GREAT SEAL